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TO RUEHC/SECSTATE WASHDC PRIORITY 2106
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY
RUEHLO/AMEMBASSY LONDON PRIORITY 1115
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

UNCLAS KUWAIT 005082

SIPDIS

SENSITIVE
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STATE FOR EB/ESC/TFS JCLARK, S/CT TKUSHNER, NEA/ARPI
SWALKER, NEA/RA LLEE, IO/PSC BFITZGERALD, TREASURY FOR TFFC
DGLASER AND OFAC FOR RWERNER, NSC FOR JZARATE, LONDON FOR
LTSOU, MANAMA OR JBEAL

E.O. 12958: N/A

TAGS: [EFIN](#) [ETTC](#) [KTFN](#) [PTER](#) [CVIS](#) [KVPR](#) [KU](#)

SUBJECT: TERRORIST FINANCE: AMBASSADOR OPENS ANTI-MONEY
LAUNDERING AND TERROR FINANCE CONFERENCE

REF: KUWAIT 4741

¶1. (U) On December 11, Ambassador delivered remarks at the opening of an anti-money laundering and terror finance conference hosted by Kuwait General Administration of Customs (KGAC) and DHS's U.S. Customs Advisory Team. The Ambassador's remarks praised ongoing cooperation between the GOK and the U.S. and urged increased GOK diligence on implementing legal reforms to strengthen the country's CTF/AML regime. The Ambassador made several specific suggestions, including putting more focus on cash couriers. (Note: Ambassador's remarks are available on-line at <http://kuwait.usembassy.gov/>.)

¶2. (U) In his opening remarks, Kuwait Customs Director General Ibraheem Al-Ghanim thanked the U.S. for its continued assistance, pointing to close cooperation between KGAC officers and the resident U.S. Customs Advisory Team. He reaffirmed KGAC's commitment to CTF/AML and stressed the importance of enhancing coordination among GOK agencies. Both the Ambassador and Al-Ghanim underscored the importance of coordinated CTF/AML efforts in remarks to the press following the opening session.

¶3. (SBU) In a separate side meeting, the Ambassador thanked Al-Ghanim for his efforts, urging increased support to complete the revision of the country's outdated 2002 anti-money laundering law. Al-Ghanim concurred with the Ambassador on the urgency of legal reform, including the enactment of a cash exit declaration policy to counter the threat posed by cash couriers. Al-Ghanim predicted that the enactment of a cash exit declaration policy was a gradual process, likely to happen over the next two years in conjunction with increased public awareness and confidence in the proposed changes. Al-Ghanim noted that the demise of the Iraqi regime had enhanced Kuwaitis' confidence in their personal financial security, encouraging many to forego traditional dependence on cash-based transactions when traveling abroad.

¶4. (U) The conference, administered by six DHS/ICE officials, will last until December 14 and will focus on a broad range of CTF/AML measures including the U.S. CTF/AML legal system, source development and investigation, asset identification and forfeiture, currency smuggling, intelligence analysis and covert operations.

¶5. (U) Participants include GOK officials from relevant ministries including the MFA, Finance, Justice, Central Bank,

Social Affairs and Labor, among others. In addition to local Kuwaiti banks, BNP Paribas and HSBC also attended as well as observers from the French, Japanese and South Korean embassies.

¶6. (U) The Central Bank of Kuwait will convene a MENA/FATF training seminar on terror finance and money laundering starting December 17-21, in cooperation with the World Bank and IMF (reported in reftel).

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